



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

1000 Washington Street • Suite 810 • Boston, MA 02118-6200
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<http://www.mass.gov/doi>

CHARLES D. BAKER
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SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

JOHN C. CHAPMAN
UNDERSECRETARY

DANIEL R. JUDSON
COMMISSIONER OF INSURANCE

February 21, 2017

Doris Karras
24551 Del Prado 881
Dana Point, CA 92629

RE: Doris Karras – Massachusetts License No. 1968637
SIU Investigation No. 9374

VIA E-MAIL (adwielath@gmail.com)

Dear Ms. Karras:

I represent the Massachusetts Division of Insurance (“Division”) with regard to the above-captioned investigation. Pursuant to an investigation conducted by the Division’s Special Investigations Unit, the Division has cause to believe that you violated the Massachusetts insurance laws set forth below by the conduct detailed in this settlement letter.

This case was opened on December 15, 2016, after the Division received notice that your Ohio non-resident insurance producer license was surrendered. Further investigation revealed on your application to the Division for a producer license, submitted on or about November 8, 2014, you answered “no” to the screening question, “[a]re you currently a party to . . . any lawsuit . . . involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or a breach of fiduciary duty?” However, at the time the application was submitted to the Division, you were in fact a named defendant in a lawsuit filed in the United States District Court, Central District of California (Case No. SACV13 – 01658 AG), which involved allegations of fraud, misappropriation or conversion of funds, and misrepresentation.

The conduct described above is evidence of the following violations:

M.G.L. c. 175, § 162R (a)(1) . . . [t]he commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer’s license or may levy a civil penalty for . . . providing incorrect, misleading, incomplete or materially untrue information in the license application. Additionally, a violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

M.G.L. c. 175, § 162R (a)(2) . . . [t]he commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer’s license or may levy a civil penalty for . . .

violating any insurance laws. Additionally, a violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

M.G.L. c. 175, § 162R (a)(3) . . . [t]he commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty for . . . obtaining or attempting to obtain a license through misrepresentation or fraud. Additionally, a violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

M.G.L. c. 175, § 162R (a)(8) . . . [t]he commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty for . . . using fraudulent, coercive or dishonest practices in the conduct of business. Additionally, a violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

M.G.L. c. 176D, §2 – No person shall engage in this commonwealth in any trade practice which is defined in this chapter as, or determined pursuant to section six of this chapter to be, an unfair method of competition or an unfair or deceptive act or practice in the business of insurance. A violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

The Division is authorized to issue an order requiring you to show cause as to why you should not be made to cease and desist from the above alleged conduct. If, after a public hearing, the Commissioner of Insurance finds that you did commit the alleged violations, he may impose a fine up to the amounts listed above and order that your Massachusetts Insurance Producer License be placed on probation, suspended or revoked.

The Division proposes to resolve this matter through a settlement if you agree to waive the right to a public hearing, agree to cease and desist from the above-alleged conduct and agree to pay a **fine of \$100.00**. If you choose to accept the Division's offer, please have an authorized individual sign this settlement letter where provided below and return it to my attention along with a check made payable to the Commonwealth of Massachusetts, no later than **March 5, 2017**.

The Division considers the acceptance of this settlement to constitute a reportable administrative event which should be included on your next Massachusetts producer license renewal application. You also may be required to report this action in other jurisdictions where you hold an insurance producer license. This Agreement shall be construed under and governed by the laws of the Commonwealth of Massachusetts.

Although this correspondence does not constitute the required statutory notice of a public hearing, if this matter is not resolved by **March 5, 2017**, the Division intends to file its Order to Show Cause and will notify you of the hearing date.

Thank you for your prompt attention to this matter. Should you have any questions or wish to discuss this matter further, I may be reached at (617) 521-7471 or Scott.Peary@state.ma.us.

Sincerely,

Scott J. Peary
Chief Enforcement Counsel

Enclosure



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SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between the Commonwealth of Massachusetts, Division of Insurance (“Division”), and Doris Karras (“Karras”) licensed as an insurance producer licensed under the laws of the Commonwealth of Massachusetts (“Commonwealth”) and with an address of 24551 Del Prado 881, Dana Point, CA 92629.

WHEREAS, Karras was licensed by the Division as an insurance producer pursuant to M.G.L. c. 175, § 162H *et seq.*;

WHEREAS, an insurance producer licensed in the Commonwealth must uphold the standards in M.G.L. c. 175, § 162H *et seq.* and must comply with the Commonwealth’s insurance laws, including without limitation, those set forth in M.G.L. c. 175 & M.G.L. c. 176D; the Code of Massachusetts Regulations; and any other regulatory requirements; each of which give the Commissioner of Insurance review, approval, and enforcement authority over licensees;

WHEREAS, the Division has conducted an investigation, Special Investigation Number 9374, and contends that the acts and conduct of Karras as set forth in the Division’s correspondence dated February 21, 2017, a copy of which is attached hereto, constitute grounds for revocation of Karras’s insurance license and the imposition of fines;

WHEREAS, Karras is aware of her rights to notice and to an administrative hearing with respect to the alleged violations of Massachusetts insurance laws in these matters, and hereby waives those rights.

NOW THEREFORE, in consideration of the foregoing and the covenants, warranties, representations, and agreements contained herein, it is mutually agreed as follows:

1. Karras agrees to immediately cease and desist from the conduct outlined in the Division’s February 21, 2017 correspondence.

2. Karras agrees to pay a \$100.00 fine by March 5, 2017. Such check shall be made payable to the Commonwealth of Massachusetts and returned, along with an original signed version of the instant settlement agreement, to:


Massachusetts Division of Insurance
C/O Scott Peary, Chief Enforcement Counsel
1000 Washington Street, Suite 810
Boston, MA 02118

3. Except as expressly set forth in this Agreement, the failure of the Division at any time to require strict performance by Karras of any terms, provisions, or conditions hereof shall in no way affect the right thereafter to enforce the same, nor shall the waiver by the Division of any breach of any of the terms, provisions, and conditions hereof be construed or deemed a waiver of any succeeding breach of any term, provision, or condition thereof.

4. In the event that the Division finds that there has been a breach of any provision of this Agreement, the Division may, in its discretion, pursue any and all legal remedies permitted by the Massachusetts insurance laws as well as any other appropriate law of the Commonwealth.

5. The provisions of this Agreement may be amended, modified, or expanded solely in writing by joint consent of the Division and Karras.

SIGNED:



Doris Karras

Dated: _____

2/27/17



Commonwealth of Massachusetts
Division of Insurance
Scott Peary
Chief Enforcement Counsel

Dated: February 21, 2017